# Linklaters

# **Sustainability Report 2023**



# **About this report**

This report provides an account of the steps we are taking to address sustainability matters relevant to our operations, the progress we have made, the challenges we are facing and the plans we have in place to respond.

This is Linklaters' first report in this format, and for that reason it is not strictly limited to the last financial year. Rather, we seek to provide a considered account of the most recent and relevant developments.

The report is primarily focused on our own operations and our supply chain and is structured around the four key dimensions of our Sustainability Programme: How We Work; Our People; Environment; and Social Impact.

As is the case for our Sustainability Programme, this report is global in focus, and we include examples from across our regions and offices.

As sustainability-related expectations and regulations evolve, we recognise the increasing need for transparency and, whilst we hope that this report provides a good account of our work to date, we understand that there is more work to do, and we challenge ourselves on where we can go further. Feedback is welcomed.

# Cautionary statement regarding sustainability-related data, metrics and forward-looking statements

In preparing its sustainability report, Linklaters has made a number of key judgements, estimations and assumptions, and the processes and issues involved are complex. The sustainability data, models and methodologies used are often relatively new, are rapidly evolving and are not of the same standard as those available in the context of other financial information, nor are they subject to the same or equivalent disclosure standards, historical reference points, benchmarks or globally accepted accounting principles. In particular, it is not possible to rely on historical data as a strong indicator of future trajectories, in the case of climate change and its evolution. This means that the sustainability-related forwardlooking statements and metrics discussed in this document carry an additional degree of inherent risk and uncertainty.

Any forward-looking statements made by or on behalf of Linklaters speak only as of the date they are made.



# 1. Introduction

#### **Foreword**

Responsibility and sustainability are at the heart of how we do business at Linklaters and we are pleased to be both presenting and reinforcing our commitment through this report. Linklaters' Sustainability Programme has evolved significantly in recent years. This report, Linklaters' first in this format, is a celebration of this progress, but it is also, we hope, an account of the challenges we are seeing and a reflection of where we need to do more.

The rule of law is essential to many aspects of human progress, to the underpinning of economic activity and to the development of society. Facilitating global enterprise and trade in a changing world has been our focus for over 185 years.

Sustainability, Environmental, Social and Governance (ESG) factors and the transition to a lower carbon economy continue to be key focus areas for our clients. As the ESG landscape evolves, we are helping our clients to navigate rapidly shifting regulatory and stakeholder expectations, and reimagine their businesses for a more sustainable future. We have invested in our capabilities in this area, including by training our lawyers so they can give advice that is future fit.

Sustainability is integral to our business, both through our work advising clients, and through our own internal initiatives, which are the core focus of this report.

As a sector we are under increasing scrutiny and it is clear from our conversations with clients, colleagues and our community partners that they are keen to learn more about the work we are doing. Against this backdrop we have taken several important steps to further embed ESG in our governance, risk management and decision making. This is an important enabler and, as we hope is evidenced in this report, we are challenging ourselves to share increasingly transparent and accountable updates on our progress.

Pleasingly, we have made positive progress against many of our targets: we are ahead of the required trajectory for our near-term, science-based carbon reduction targets; we have exceeded our partner election diversity targets; and we are on track to deliver our social impact participation targets. There are areas which have proved more challenging, for example some of our Race Action Plan commitments, and we will be pushing ourselves to address these.

We are also conscious that there are some areas in which we have not yet set targets: for example longer-term carbon reduction commitments. There is much to reflect upon before setting meaningful targets and we look forward to updating you on our progress in future reports.



**Aedamar Comiskey**Senior Partner and Chair



**Paul Lewis**Firmwide Managing Partner



2. Sustainability at Linklaters



# 2. Sustainability at Linklaters

# Responsibility and sustainability are at the heart of how we operate as a business

Linklaters is an integrated global law firm. Our lawyers advise on multi-jurisdictional projects and transactions, specialising in a diverse range of industry sectors and legal practice areas. We recognise our significant potential to contribute to a sustainable future, as well as the potential impact of the transition to a low carbon economy on our business.

Our people, our clients and wider society have growing expectations of our firm and expect us to make the right choices. Through our operations, our supply chain and our advice to clients, we know that we are in a position to make a real and lasting difference, whether close to our office or further afield.

#### How we work

We are proud of our Values which ensure that we approach and undertake our work with integrity. Our market-leading ESG practice advises clients on a range of environmental, social and governance issues, and we are conscious of the need to follow our own advice in our operations and to promote this in our supply chain.

#### **Environment**

We recognise a changing climate and understand the importance of strong environmental management. We continue to look for opportunities to reduce our impacts and associated emissions, including through energy and resource efficiency, waste prevention, sustainable travel and supply chain engagement.

# Key Dimensions

### Our people

We want to be known as the 'best in class' firm for diversity and inclusion. Our people should feel safe at work, be fairly-rewarded, and see their health and wellbeing properly addressed. As a responsible business, it is important that we create an inclusive culture in which everyone — regardless of background, identity and circumstance — can reach their full potential.

# **Social Impact**

We are driven to make a difference to our clients and to the world we live in. Our social impact practice seeks to draw on our talent, our scale and our imagination to tackle the vital challenges of today and tomorrow. We work in deep partnerships with third-sector organisations; seeking to address their needs and help them achieve transformative change.

#### **Accountability**

We use key external benchmarks and standards to calibrate and measure our approach to sustainability.

We focus on groups and standards most relevant to our business or to which we can meaningfully contribute. We align our work to environmental standards including Science-Based Targets, CDP and ISO14001. Our Social Impact is measured by Business for Societal Impact (B4SI), while we are longstanding participants of the UN Global Compact (UNGC) and are committed participants in UNGC Networks in the UK and Japan.

We have reviewed our business against the Sustainable Development Goals (SDGs) and use them to highlight the contribution made, not only through our direct operations and social impact activities, but through much of our advice to clients too. At this halfway point of the SDGs, we are proud to be working alongside the UN and others leading work on Goal 16, Peace, Justice and Strong Institutions, as well as advancing the Global Goals movement through established partnerships and new collaborations.

## **Sustainability and our clients**

Beyond our operations and supply chain, we recognise that our most significant contribution to the environment and to society is through the advice we give to our clients in the course of the mandates that we take on.

We appreciate the challenges that arise from rapidly shifting policies and regulatory drivers in this area. We are witnessing evolving stakeholder perspectives and the need to keep pace with emerging technologies, particularly as many businesses navigate the transition to a lower carbon economy and a more sustainable future. It continues to be a period of profound change and opportunity, and sustained action will be required over several decades.

As lawyers, we have a significant role to play in helping our clients navigate the energy transition and their journey to becoming more sustainable businesses. This includes those operating in carbon intensive sectors, where the challenges and need for high-quality legal advice and assistance is particularly acute. We have invested heavily in developing a robust understanding of the global ESG landscape and the breadth of our knowledge and experience across our energy and ESG teams means we are exceptionally well placed to offer solutions to problems in areas where there is typically no established blueprint.

Our market-leading global ESG team has considerable experience in advising clients on their transition strategies, climate disclosures and governance frameworks. It comprises sustainability practitioners with deep expertise. They work closely with a wider global network of lawyers covering an extensive range of legal disciplines to deliver joined-up ESG advice through a genuinely multidisciplinary approach.

Our market-leading Energy & Infrastructure teams offer clients global coverage, combining hands-on knowledge of energy transition technologies, in-depth, local policy and regulatory insight, and leading practices for M&A and financing transactions of all kinds. We have specialised in the full spectrum of energy transition projects for over two decades, with leading practices in all forms of renewables, including onshore and offshore wind, solar, biomass, biofuels and waste-to-energy as well as emerging energy technologies including EVs, clean transport and battery storage and hydrogen and CCUS. Our Energy Transition practice also houses a leading carbon and emissions trading practice.

Our expert practitioners across practices work seamlessly with clients on a global basis to provide the strategic, transactional and regulatory advice our clients need to transform their projects, their businesses and their value chains.

Our team is experienced in addressing the challenges of fast-moving emerging areas where there is significant public scrutiny, allowing us to have a strong appreciation of the opportunities, risks and challenges arising for our clients.

Broadening this awareness across the firm, we have run several cohorts of our ESG Accelerator programme in collaboration with the University of Oxford for our senior lawyers to ensure they are well-grounded in this area. This is a six-month programme of education, business planning and client engagement activity.



As the risks and opportunities presented by the ESG agenda are increasingly understood, clients are asking themselves, and are being asked, difficult strategic questions. We recognise the important role we have to play in supporting their response and are determined to help them navigate the rapidly evolving regulatory landscape and play their part in the transition to a more sustainable future.

Our global team has been advising on ESG in all contexts for many years and are excited to support clients in the next step of their sustainability journeys, including implementing and delivering on their environmental, social and governance commitments, responding to the evolving expectations and maximising the opportunities the growing agenda presents."

# **Rachel Barrett**

Partner, ESG

#### **Our Sustainability Thought Leadership**

For insights, commentary and news from our dedicated ESG lawyers around the globe, check out our Sustainable Futures Blog and our media hub In Conversation with the ESG Team.







#### **Governance and Sustainability**

For our firm and for our clients, the regulatory agenda relating to environmental, social and governance matters is moving at pace, and embedding ESG considerations in governance and decision making is essential for responding to evolving standards and maximising our positive impact.

To ensure the firm meets its commitment to be a responsible and sustainable business, sustainability risks and opportunities are identified, considered and managed through our global risk management process and by the firm's most senior governance bodies.

The firm's integrated ESG governance ensures that material sustainability risks and opportunities are dealt with consistently on an ongoing basis, in the same way as any other risks which have the potential to disrupt the firm's business model.

Alongside the firm's boards and committees, a number of senior individuals and teams contribute to the firm's sustainability agenda.

The Sustainability Director is responsible for leading our own sustainability performance. The experts in our ESG practice also act as a source of information and insight on climate-related matters for the Partnership Board, Firmwide Managing Partner, Executive Committee and various sub-committees.



#### Partnership Board (PB)

The Partnership Board is the senior governance body of the Firm and is responsible for strategic and other major decisions. It is chaired by the firm's Senior Partner and made up of a group of elected partners who represent the geographic and legal practice spread of the firm. In the performance of its various roles, in relation to major decisions it considers, the Partnership Board takes into account ESG considerations.

#### Firmwide Managing Partner

The Firmwide Managing Partner is the senior executive officer of Linklaters and is responsible for, among other things, the supervision and coordination of the overall management of the firm as well as the development of strategies and business plans (along with their implementation once approved by the Partnership Board). This includes responsibility for ESG matters.

#### **Executive Committee (ExCom)**

The Executive Committee is chaired by the Firmwide Managing Partner and its members include the heads of the main business divisions, the firm's Regional Managing Partners, the Chief Financial Officer and leaders of certain other business functions. It is the forum in which the senior management of the firm discuss issues relating to the firm, including ESG risks and opportunities.

#### **Corporate Responsibility Committee**

Our Partnership Board is supported by the firm's Corporate Responsibility Committee, a sub-committee with delegated authority to exercise the powers of the Partnership Board in relation to setting and approving the firm's sustainability strategy, reviewing its implementation and impact, and ensuring that the firm meets its commitments to be a responsible and sustainable business.

#### **Audit Committee**

The Audit Committee, a sub-committee of the Partnership Board, reviews and approves the annual report and financial statements, including the firm's climate-related financial disclosures. As part of this role, the Audit Committee considers the impact of any significant climate-related risks and opportunities on the firm's financial statements in accordance with relevant accounting standards.

#### **Risk Committee**

The Risk Committee oversees the firm's enterprise risk management framework by regularly reviewing key operational and legal practice risks to the firm (including ESG risks) and their mitigation and management through appropriate systems and controls. The Risk Committee periodically reports to the firm's Executive Committee and the Partnership Board.

### Organising ourselves around sustainability

A good example of how we collaborate across the firm is the work we have been doing to deepen our understanding of the firm's climate-related risks and opportunities.

- > Cross Functional Working Group: In 2022, the firm established an internal, crossfunctional working group to oversee reporting on its climate-related risks and opportunities. With representatives from across the firm's business, the Group ensured the climate-related considerations identified were clearly documented and communicated and coordinated discussion in the relevant governance boards.
- > Engaging Our Business: Building on climate-related engagement that began firmwide in 2021, in 2022/23, we ran an internal engagement exercise with business teams and sector teams across the practice to identify the key climate-related risks and opportunities, both in our own operations and those risks and opportunities which may impact clients and, as a result, shape the nature of the legal services the firm provides.
- > Climate Scenario Analysis: The risks and opportunities identified by our teams informed our externally-led climate scenario analysis which examined the resilience of our business model and strategy against climate change and potential financial impacts. The analysis assessed key climate-related risks and opportunities against three diverse climate scenarios from the Network for Greening Financial Services database.

- > Risk Management: Climate-related risk is taken into account in our global Enterprise Risk Management (ERM) framework on a standalone basis and as a component of existing risks. Each risk has a dedicated risk owner who is responsible for the regular assessment of the risk and the implementation of relevant controls. The Risk Committee will monitor climate-related risks on an ongoing basis and raise strategic and important issues in their regular reporting to the Executive Committee.
- > **Training:** In April 2023, the Executive Committee received a training session on climate change law and policy, relevant market developments, and the potential impact that related environmental, social and governance factors might have on clients of the firm and therefore its business. The Executive Committee was also joined twice during the financial year by members of the firm's International Advisory Group (a committee of external members who provide guidance on a wide range of strategic matters impacting the firm and its clients) to raise awareness of the key risks of energy transition, the energy crisis and the pressures of climate change impacting the UK and Europe.

#### Climate-related disclosures

Regulations and standards around ESG disclosures are complex and constantly evolving, and firms like ours are increasingly expected to share details publicly, not just on the work we are doing to reduce our negative impacts, but on our thought process, analysis and decision making too.

Given our partnership structure, this is a significant shift. Our climate-related financial disclosures, published in our annual report, mark an important step in this process, and we have included further details on what's next on page 8.



#### What's next

We have made good progress in embedding sustainability within our firmwide strategy and risk management processes. However, we recognise there is still more to do.

Evolving the business to respond quickly to climate change, and developments in the broader sustainability agenda, is an ongoing process. Building on insights from our climate risk and opportunity assessment project and disclosures, a new project has been initiated which will ensure the development of more detailed and accountable strategies and plans.

To do this meaningfully will take time, not least as much of the conversation is at, and is about, the heart of the business.

> **Materiality:** For organisations across every sector, the pace and scale of the transformation required to deliver a sustainable future cannot be underestimated, and we recognise the need to focus on the impacts that matter most to our people, clients and communities.

As we work to embed sustainability considerations further in our decision making and governance, we will be engaging with relevant stakeholders across our organisation and value chain to explore the impacts that matter most, and embedding the findings in our planning and processes.

> Further carbon reduction targets: Since setting our near-term science-based targets, as well as delivering the required emissions reductions, we have taken a number of significant steps to improve the quality of our emissions data and improve our understanding of the work required to deliver longer-term reductions.

Over the next year, we will therefore be exploring further possible carbon reduction targets and will share further details in future reports.

> Business acceptance: We have a wellestablished business acceptance framework which we apply to all new clients and mandates. We take into account our legal and professional obligations, risk and reputational issues and the firm's Values, which include acting with integrity and as a responsible business.

All new business is assessed by our Business Acceptance team and, where material issues (including ESG-related issues) that require discussion are identified, the relevant matter is escalated to an appropriate group of partners to consider whether or not the business should be accepted.

We keep our business acceptance processes and approaches under review and expect these assessments to continue to evolve over time.

> Integrating ESG into our advice: We are aiming to develop further the ways in which ESG considerations are integrated into our everyday advice and also to ensure that our client strategy in relation to the transition to a low-carbon economy, as described above, is further embedded throughout the firm.



As a sector we are under increasing scrutiny from our stakeholders who expect us, not only to make the right decisions, but to make visible our progress and thought process.

We are determined not to over promise and under deliver, but as we work through the next piece of the Programme, we will be challenging ourselves to make our plans and progress more visible and accountable."

# **Matt Sparkes**Sustainabilility Director



3. How we work



# 3. How we work

As an international law firm with over 5,500 staff and a presence in 21 countries, advising some of the world's most significant organisations across a diverse range of industry sectors and legal practice areas, we recognise our potential, and responsibility, to contribute to a sustainable future.

Being a responsible business is key to how we work as a firm and as individuals, and we take personal and collective responsibility for ensuring that we are not just doing things right but we are also doing the right thing. We are proud of our Values which ensure that we approach and undertake our work with integrity. This commitment is underlined and underpinned by Our Ethical Code, and carried through into our compliance responsibilities, governance and risk management processes.

We recognise that our impact on the environment and society extends beyond our own operations, with a significant part accounted for by our supply chain.

It is therefore imperative that our commitment to being a responsible and sustainable business is shared by our suppliers, and we have taken several key steps over recent years to embed sustainability within our sourcing processes.

Linklaters has been working to address its environmental and social impacts for many years. As a partnership, we have shared less detail on our sustainability programme publicly relative to others.

Evolving ESG legislation and disclosure requirements therefore represent a significant cultural shift, requiring us to share further detail not just on the work we do, but also how we work. The way we work underscores our commitment and enables our progress across the other key dimensions of our Sustainability Programme, and we share further details on these areas in this report.

### **Recent highlights**



In 2022, we refreshed our Responsible Sourcing Programme, Policy and Supplier Code of Conduct, reaffirming our sustainability priorities and expectations of our suppliers.



We have rolled out EcoVadis to 93 of our key suppliers, improving our ability to monitor and address sustainability risks in our supply chain.



Building on our commitment to the Living Wage and equivalent initiatives in the UK and US, in 2023 we supported the launch of the Living Wage in Hong Kong SAR.



Many of the firm's policies and processes are driven by our regulatory obligations. Regulation is of course often based on ethics, so compliance is something we have to do but it's also the right thing to do. What makes ESG regulation more challenging than 'traditional' regulatory compliance is the reporting element: we can't just quietly comply but must report on what we're doing to the world. I see this as both a challenge and an opportunity, allowing us to highlight publicly the actions we are taking to meet our ESG responsibilities."

#### **Daniel Macaluso**

Director, Global Regulatory Compliance



Our Responsible Sourcing Programme has matured significantly over the last couple of years, and we are already seeing the benefits of enhanced monitoring and deeper discussion.

Collaboration is key, not only to delivering on our own commitments and targets, but also to maximising our potential contribution to an equitable transition, and it is great to see our energy and ambition reflected back by our suppliers."

#### **Rachel Tooke**

Head of Strategic Sourcing and Supplier Management

#### **Values and Ethics**

#### **Our Values**

Our shared Values guide how we conduct our relationships with one another and our stakeholders:

- > We strive for excellence, to deliver fantastic client service.
- > We respect each other, supporting our people and embracing diversity.
- > We are leaders, empowered, entrepreneurial and encouraged to take initiative, embracing new ideas.
- > We act with integrity, not just doing things right but doing the right thing.
- > We are one team, united, inclusive and collaborative, delivering the whole firm to clients.

We expect the highest standards of behaviour from all of our people at all times. We ensure that the environment in which our people work is an inclusive one, where equality of opportunity and respect for each other is non-negotiable. We do not tolerate behaviours that are inconsistent with either our culture and Values or with local employment laws.

#### **Our Ethical Standards**

Our ethical standards supplement local regulatory requirements and professional responsibilities. We follow these principles in whatever we do, whatever our role in the firm.

- > We act in the best interest of our clients.
- > We uphold high standards of professional behaviour and are uncompromising in our integrity.
- > We are open, respectful and fair in our dealings with everyone within and outside the firm.
- > We respect the rule of law and encourage others to do so.
- > We act honestly and do not participate in dishonesty by others.
- > We respect confidential information that we receive.
- > We act at all times to uphold the reputation of the firm.
- > We recognise our role in building a fairer society.

#### **Compliance Responsibilities**

From anti-bribery and corruption to data protection and information security, combatting financial crime to outside interests, the firm has key policies and associated training to support all of our people in fulfilling our compliance responsibilities and to protect the reputation of the firm.

You can find further details on the relevant compliance policies, our Values and ethical standards on our website.

#### **Speaking Up**

We take any suggestion of a breach of our ethical standards or of our Values, or of our risk, compliance or HR policies, seriously, and are committed to ensuring that everyone feels empowered to call out any behaviour that falls below expectations. We encourage concerns to be raised with a member of the HR or Legal and Risk teams, or a Partner or manager, so that the firm can take all appropriate steps. There will be no repercussions for having raised genuine concerns in good faith.

You can find further detail on our Whistleblowing Policy, Regulatory Reporting Policy and our externally hosted SpeakUp hotline on our website.

# **SDG 16 - Inspiring Transformational Governance**

For the past decade we have been pleased to partner with the UN Global Compact to promote the role of good governance. This has included the publication of two guides to sustainability for General Counsel and current work on 'Transformational Governance', empowering firms like ours to share expertise, strengthen practice across civic society, and provide greater accountability, transparency and integrity.



### Responsible Sourcing and our supply chain

Our supply chain accounts for the greatest share of our direct impact on the environment and society. For that reason, we want to develop pioneering, accountable and transparent partnerships with our suppliers, seeking reliable and fair relations for the mutual benefit of Linklaters and our supply chain.

In September 2022, we refreshed our Responsible Sourcing Programme, Policy and Supplier Code of Conduct.

> Our refreshed Responsible Sourcing Policy brings together Linklaters' sustainability commitments and priorities, focusing specifically on where our supply chain can have the greatest impact. It shapes how we work with our suppliers to promote sustainability via four thematic pillars; Environment; Human Rights; Diversity, Equity & Inclusion; and Source+.

> Our revised Supplier Code of Conduct sets out the minimum responsible standards we require from our global suppliers and their subsidiaries and subcontractors who provide goods or services to Linklaters. Our suppliers are expected to be transparent in their practices and to comply with the Code as a prerequisite to Linklaters' supplier contracts. As a business, we reserve the right to refuse partnerships with suppliers that do not meet or are unable to demonstrate progress towards meeting the requirements of the Code and that adopt approaches which are inconsistent with the principles of the Code.

To support the delivery of our refreshed programme, we have been investing in our monitoring capabilities and are building out our programme of supplier engagement to open up dialogue, to create space for conversation about the barriers experienced by our supply chain, and to explore opportunities for collaboration.



#### **Enhanced tracking and monitoring**

To support the delivery of our refreshed programme, we partner with EcoVadis, the sustainability rating and monitoring platform, across our most material suppliers. EcoVadis and related engagement will help us to better understand, track and influence the sustainability risks within our supply chain.



As of July 2023, we had 93 supplier scorecards in the system, with over 75% achieving a Bronze rating or above.

The EcoVadis methodology is built using indicators including policies, endorsements, reporting, certifications and media coverage. The indicators provide a range of datapoints that we use to track, influence and continuously improve our effectiveness in monitoring progress within our supply chain, to inform our approach within our own business, and to ensure we are setting a high standard.

We also use the indicators to inform our supplier engagement by integrating the results into our category strategy, supplier monitoring process and ultimately our decision making.

We take a risk-based approach to segmenting our supply chain and deploy a supplier relationship management framework, for which EcoVadis is a key enabler, across our top-tier suppliers to foster greater transparency and collaboration. As of July 2023, we have engaged with over 120 key suppliers regarding EcoVadis and will be looking to expand this in coming years.

Since entering into partnership with EcoVadis, we have focused on building a robust framework to assess (and act on) supplier scorecards. Where the EcoVadis scorecard for a particular supplier suggests an area of poor performance or of general concern, we conduct a further deep-dive review of the supplier using our own risk registers and supplier questionnaires. Our intention is ultimately to set a minimum threshold for supplier scores on the EcoVadis ratings platform, across the four priority pillars.

As our Responsible Sourcing Programme develops, we are seeing an increase in the number of our suppliers being monitored in this way. The composition of our monitored suppliers is also changing, which affects the comparability of metrics year-on-year. We are actively monitoring these changes, and will be looking to benchmark the datapoints as soon as practicable.

## **Embedding sustainability in our sourcing process**

Our aim is to ensure that Responsible Sourcing is fully embedded into our end-to-end sourcing process, including how we contract, collaborate with and monitor our supply chain.

The Supplier Relationship Management Framework detailed here represents the approach taken with suppliers across our Global Head Office and UK Network. Local suppliers are subject to a similarly robust process, however there may be some slight differences in the process followed and the systems used.

## **Our Sourcing Process Business Case:** Influence buying **Supplier Relationship Management:** Ongoing effective management of habits by highlighting the sustainability impact eg embodied carbon of goods suppliers' sustainability commitments, including performance monitoring or services or modern slavery supply chain risks. and tracking throughout the contract lifecycle including corrective action plans via EcoVadis. Identifying opportunities to collaborate and innovate with suppliers across the sustainability agenda. **Sourcing:** Sustainability-focused tender questions and requirements for each category of spend. **Contracting:** Standard contractual **Evaluation:** Appropriate evaluation clauses requiring suppliers to comply criteria and weighting based on with the Supplier Code of Conduct and sustainability risk and category of other key sustainability commitments. spend. Responsible Sourcing currently has a 10-15% weighting.

#### **Labour and Human Rights**

As a leading global law firm, Linklaters is committed to excellence, to lead by example, and to conduct every aspect of our business with integrity. Our commitment extends to fostering a working environment that respects and protects internationally proclaimed human rights and avoids complicity in human rights abuses.

We apply the ten principles of the UN Global Compact, including respect for the protection of labour and human rights.

We endorse the UN Guiding Principles on Business and Human Rights. In line with these principles, we aim to avoid causing or contributing to adverse human rights impacts on our people and in the running of our offices, including in supplier sourcing, and to address such impacts if they occur.

#### A Fair, equal and safe place to work

To be the best firm we can, our people need to feel safe at work, be fairly rewarded, see their health and wellbeing properly addressed, and feel that – regardless of their background, identity and circumstance – they can be themselves at work and reach their full potential.

> **Health & Safety:** We are committed to providing our people with a legally compliant workplace that is safe, comfortable and supportive. You can read more about our recent work to support colleagues' physical and mental wellbeing on page 22.

- > Tackling discrimination: We know our differences make us a better and stronger law firm, which is why diversity, equity, and inclusion run through our global business strategy, culture and Values. We are committed to preventing discrimination in our workplace, and in particular during recruitment, professional development and promotion processes. We provide training for all employees on how to raise and address discrimination or harassment if it arises. You can read more about our DEI priorities on page 20.
- > Eliminating forced, compulsory and child labour: Linklaters is committed to ensuring that modern slavery, human trafficking, child labour or any abuse of human rights have no place in our organisation or in our supply chain, and we ask suppliers to proactively address the risk of modern slavery within their own operations and supply chain.
- > Promoting fair employment practices: We comply with all applicable employment legislation relating to employee terms and conditions, including pay, and we invest heavily in supporting the health and wellbeing of our staff. Within the UK, everyone who works in our offices — whether directly employed or not earns at least the "Real Living Wage" set by the Living Wage Foundation, and we are proud to be Principal Partners of the Living Wage Foundation, encouraging others in the wider business community to adopt this important commitment to fair pay. We are now also supporting equivalent initiatives in Hong Kong SAR and the US, and are also signatories to the Fair Hiring Pledge, an initiative which aims to ensure the fair treatment of domestic workers in Hong Kong SAR.

### **Advising on Labour and Human Rights**

With the rise of ESG and new legislation on human rights and supply chain due diligence, respect for human rights is increasingly an important area of focus for businesses. The increased scrutiny means that implementing robust policies and processes to identify, prevent and mitigate adverse human rights impacts is relevant to supply chain, business relationships, investor relations, brand management and access to finance. It will also be important to minimise the risk of litigation and reputational damage.

If managed successfully, these policies and processes can be significant business enablers. Linklaters' cross-border Business and Human Rights practice has been at the forefront of advising on these themes for a number of years, and has supported organisations across a range of sectors in strengthening their human rights governance, due diligence and compliance, and in addressing litigation and liability risks. You can find further detail on our Business and Human Rights practice here.





#### Modern slavery

Linklaters is committed to ensuring that modern slavery, human trafficking or any abuse of human rights have no place in our organisation or in our supply chain. As disclosure standards and the reporting requirements relating to modern slavery and human rights evolve across the different jurisdictions in which we operate, we recognise the need for transparent and accountable reporting.

In line with our UK regulatory requirements, each year we publish a statement describing the steps we have taken globally to ensure slavery and human trafficking are not taking place in our business or within our supply chain. You can access our latest Modern Slavery Statement here.

Within the firm, our Modern Slavery Policy sets out our commitment to advancing human rights principles and standards, upholding the rule of law and preventing human rights abuses, including modern slavery. It applies globally to all staff working for the firm including employees, consultants, agency staff and contractors.

The Modern Slavery Policy directs to guidance about what constitutes modern slavery and potential indicators of modern slavery. It reminds all of our people of their responsibility to prevent, detect and report any concerns they may have in relation to modern slavery within our business or supply chain at the earliest possible stage, highlighting the practical steps that our staff can take if they are concerned about the existence of any such type of behaviour.

As a professional services organisation which is regulated in the various jurisdictions in which we operate and which primarily employs lawyers and business professionals, we consider the overall risk of modern slavery existing within our own business to be low. We have an internal, cross-functional Modern Slavery Working Group that keeps this assessment and the related preventative measures under ongoing review.

Colleagues across every department and at all levels of seniority have a role to play in promoting and protecting labour and human rights. We have a number of key policies in place to provide guidance around potential indicators to look out for and the steps colleagues can take to raise and address issues where identified.

Additionally, we provide regular training both firmwide, and to specific groups where the exposure to potential labour and human rights issues is greater. In FY23, we delivered a number of targeted sessions, including, for example, interactive modern slavery training sessions for our Technology and Operations teams.

We view the risk of Modern Slavery existing within our supply chain as being greater than within our own business. Linklaters takes a risk-based approach to assessing the likelihood of modern slavery within our supply chain. Our primary assessment tool is EcoVadis which provides us with greater transparency of risks associated with modern slavery, for our most material suppliers.



As of July 2023, 43% of our suppliers enrolled on EcoVadis report on labour and human rights issues and 63% audit or assess their supply chain on CSR issues.

For suppliers where the potential risk of modern slavery is considered to be higher - for example where the EcoVadis scorecard for a particular supplier suggests an area of poor performance or of general concern, or where a supplier is operating in a higher risk category - we conduct a further deep dive review. In these instances, we issue the relevant supplier with our Modern Slavery Questionnaire to understand in more detail the degree of risk and further potential mitigation/corrective actions required.

# **Championing Labour and Human Rights in our Pro Bono Programme**

We are committed to championing labour and human rights by channelling the legal skills and expertise of our people to organisations and individuals in need of help.

There is currently no international legal framework explicitly designed to prevent the use of the internet for trafficking for sexual exploitation. To help address this, we are collaborating with tech specialists, our alliance firms Allens and Widyawan & Partners and two other law firms to review laws relating to cybersex trafficking in eleven jurisdictions globally. Our longstanding NGO partner Hagar is using this work to support its extensive advocacy in this space.

### **Risk management**

To respond to the evolving sustainability challenges and legislative agenda, we recognise the need for strong global leadership, sound governance and robust risk management processes.

Our Legal & Risk team, a global team of in-house lawyers and advisers, supports partners and senior managers in ensuring that the firm complies with applicable laws and professional rules, and manages the risks associated with our legal practice (including new business risks, eg conflicts of interest, anti-bribery and corruption, anti-money laundering, sanctions and high-growth market risks). The team also manages the firm's exposure to claims and complaints in the conduct of our practice.

National Managing Partners and local Risk Partners share responsibility for managing risks in the legal practice of each local office.

Business Teams directors share responsibility for managing business risks not directly related to the conduct of the firm's legal practice. These include managing the firm's financial stability, IT security, business continuity, safety and security, and wider operational risks, including dealing with suppliers.

Our approach to risk management is overseen by the firm's Risk Committee. The Risk Committee's remit is to review the way in which the firm's legal practice and operational risks are being managed. This includes information/data security; IT resilience; finance controls and tax strategy; business continuity; and people-related risks. The Legal & Risk team works closely with the Risk Committee and senior managers across the firm to regularly identify and review the key risks facing the firm. The Legal & Risk team also maintains an 'incidents register' to track and report on incidents or risk trends.

#### What's next

Being a responsible business is central to how we work as a firm, and we have made good progress in recent years to embed sustainability considerations into how we work as individuals, in our governance, and in our supply chain. We are committed to maintaining this momentum and have set a number of ambitious near-term priorities:

- > Supporting colleagues to Speak-Up: We will continue to raise awareness about how to raise workplace-related concerns; provide training to our partners and HR team on how to best handle any issues that are raised; and pilot a network of volunteer 'Speak-Up Guardians' who will be trained to help colleagues navigate the most appropriate route to raise or escalate concerns.
- > Responsible Sourcing roadmap: Following the success of the June 2023 Supplier Sustainability Summit, we will select a small group of key suppliers with which to collaborate, aiming to identify, plan and implement targeted sustainability initiatives in line with the Responsible Sourcing medium-term roadmap.

- > Supplier awareness raising: We will host another summit or sustainability-focused event with more targeted cohorts of our supply chain, such as small-business suppliers or suppliers from a specific category of spend on an annual basis.
- > Modern slavery: Based on the labour and human rights data monitored through EcoVadis, we will develop targeted initiatives for participants in our supply chain, where we believe it would be beneficial and impactful to do so, to support them in bolstering measures against modern slavery.



# **Spotlight:** Supplier Sustainability Summit 2023

In June 2023, 25 of our key suppliers were invited to attend Linklaters' inaugural Supplier Sustainability Summit for an afternoon of meaningful discussion around the topics of Responsible Sourcing, Environment, Human Rights, and Diversity, Equity & Inclusion.

With presentations exploring the sustainability horizon and a series of roundtables on how to drive positive change collaboratively within our own organisations and supply chains, it served as an excellent reminder of our sustainability priorities and commitments, for suppliers and the firm.



# **Responsible Sourcing**

Having refreshed our Responsible Sourcing Programme, Policy and Supplier Code of Conduct in September 2022, we were keen to open up the dialogue with our suppliers, reiterate our expectations, and create space for conversation about the challenges suppliers are facing and the opportunities to address these collaboratively.

To help frame discussion, Senior Managers from across our Strategic Sourcing, Technology & Operations, and Environment teams shared their perspectives across a range of topics from the importance of Responsible Sourcing for our clients, colleagues and communities, to the challenges in developing and deploying a Responsible Sourcing programme, ideas on how to plug the sustainability resource gap and the importance of collaboration.



## What's on the ESG horizon

As for all sectors, our suppliers are subject to a complex and evolving ESG regulatory agenda. To support suppliers in anticipating upcoming challenges and priorities for Linklaters and their organisations, Linklaters' Sustainability Director was joined by a member of Linklaters' ESG Practice to discuss legislation coming down the tracks that is likely to impact the firm, our suppliers and how we work together.



# **Diversity, Equity & Inclusion Roundtable**

The Diversity, Equity & Inclusion roundtable focused on our global priorities and the steps we can take to promote supplier diversity. Supported by Social Enterprise UK, the conversation centred around: the changes organisations can make to their procurement practices to remove barriers for diverse suppliers and social enterprise suppliers; and the most promising opportunities within organisations' supplier bases for diverse and social enterprise suppliers.



# **Modern Slavery Roundtable**

The Modern Slavery and Human Rights roundtable explored: how organisations can ensure modern slavery statements remain transparent and impactful; and the practical steps suppliers have found useful in responding to clients' waterfalling responsibilities to their own supply chains.



#### **Environment Roundtable**

The Environment roundtable focused on: the challenges suppliers are facing in their own carbon reduction journeys associated with their direct emissions and the solutions they are employing; and the challenges suppliers are facing in engaging their own suppliers on purchased goods and services emissions, and how they overcome them.



Found the event really informative and very insightful. Really changed how I think about working with Linklaters. Thank you."

"It was insightful in so many ways and has certainly left me thinking a lot more about how sustainability, and the value of efforts in this area, can be viewed in so many different ways."

**2023 Supplier Sustainability Summit Attendees** 



4. Our people



# 4. Our people

Our vision is to be known as a bold and pioneering firm for Diversity, Equity & Inclusion (DEI) — a diverse, equitable and inclusive culture where everyone feels they belong, feels safe at work and their health and wellbeing is supported. A firm where fairness is embedded and our diversity is celebrated.

We recognise that our approach must start well before people reach our doors and continue long after they leave us - that's why we aim to make an impact at all points of the career lifecycle.

Our comprehensive approach focuses on:

- > Discovering and developing diverse talent
- > Embedding an inclusive culture
- > Ensuring equality of opportunity

To achieve our ambitions, we strive to identify those initiatives and actions that will yield the greatest impact for our firm and accelerate our progress towards becoming a diverse and inclusive culture. We do this by talking and engaging with our people, rigorously scrutinising our data and holding ourselves to account with regard to our Values as a responsible business.

This report sits alongside our focused Diversity & Inclusion Reporting. You can find a number of reports on our Diversity Reports & Statistics Hub including our:

- > 2022 Diversity Statistics
- > 2022 Diversity Pay Report
- > Race Action Plan: 2023 Update

### **Recent highlights**



We have been named as one of The Times Top 50 Employers for Gender Equality for the 10th year in a row.



We ranked 9th in Stonewall's Top 100 Employers List for 2023, an annual index of UK employers committed to creating an inclusive work environment and supporting LGBT+ employees.



In Year 3 of our Race Action Plan, all of our targets to strengthen partnership diversity were met or in progress.



We have made positive progress against our targets to strengthen board diversity. In FY23 we met our targets for 40% of partner elections, and 30% of our Partnership Board, ExCom and Director Group to be women.



We have continued to implement pioneering policies to level the playing field and create a more inclusive culture. Recent examples in the UK include our Bank Holiday Exchange Scheme and our Menopause Policy.



I want Linklaters to stand out as the law firm with the best minds in the business.

A place where talented people are given every opportunity to succeed, with diverse voices around every table to help us anticipate opportunities, come up with creative solutions to problems and make good decisions."

**Aedamar Comiskey**Senior Partner and Chair

#### Our global DEI priority areas

To help us focus and measure our efforts in DEI, we have prioritised six strands of diversity globally. Our aim is to ensure proportional representation of these groups and equality of opportunity in our workplace.

**Gender:** We are committed to creating an environment in which women have an equal opportunity to reach their potential and all genders feel supported in balancing their responsibilities inside and outside of the workplace.

Race and Ethnicity: We want our firm to reflect the races, ethnicities, cultures and nationalities that exist in the countries and communities in which we operate.

**Social Mobility:** We strive to be a place where personal background, social identity and socio-economic circumstances are not barriers to success.

**DiversAbility/Disability:** We want to be a firm that recognises, harnesses and celebrates the unique strengths and abilities of people living with physical and mental health challenges and neurological differences.

**LGBTQ+:** Our aim is to create an environment of inclusion and belonging for people of all sexual orientations, gender identities and gender expressions.

**Age and Life Stage:** Our changing workplace means that people of different age groups and life stages will work together and may require different working arrangements over their careers.

### Discovering and developing diverse talent

We're committed to offering opportunities to individuals from less privileged and underrepresented backgrounds, not least because we believe that fresh perspectives and diversity of thought are central to our success.

In recent years, we have taken steps to support future diverse talent to achieve their ambitions and overcome the barriers to entry into the legal profession. To highlight a few:

> We continue to deliver our Making Links
Programme across the UK, US, Europe and Asia
to help students from low-income backgrounds
and minority-ethnic backgrounds access work
experience, develop technical and professional
skills and overcome barriers to entering the
profession. In the UK, Making Links Scholars
receive one-to-one mentoring, one week of
work experience and £6,000 towards their fees
and living costs. Of our current Scholars, 50%
identify as coming from a Black or Minority
Ethnic background, 40% identify as having Black
heritage, and 25% identify as having a disability.

- > We were proud to be the first law firm and first UK organisation to launch a pioneering online legal internship to give students all over the world the opportunity to 'work' for our firm through a virtual reality platform. The goal is to increase access to the profession for students of all backgrounds and enable us to reach them. We have had 50,000+ enrolments with 1,000+ universities represented. We have also now launched a separate scheme for 16-18 year olds.
- > Beyond outreach, we recognise that the graduate entry route does not work for everyone. Solicitor apprenticeships can help level the playing field and open up access to the legal industry. Linklaters is proud to be spearheading City Century, a City of London Law Society led initiative, bringing together 50 law firms to significantly increase the number of solicitor apprentices entering the City of London each year. Instigated by Linklaters' Firmwide Managing Partner, Paul Lewis, alongside leaders from five other spearhead firms, the programme expects to more than double current solicitor apprenticeship numbers in the City. In 2023, Linklaters introduced a new Solicitor Apprenticeship Programme providing an alternative to traditional routes to solicitor qualification in the UK. Linklaters welcomed eight solicitor apprentices onto the programme starting in London in September 2023.

As part of our commitment to supporting and increasing diversity in the legal professional more broadly, Linklaters has also partnered with longstanding pro bono client JUSTICE to fund a new Fellowship programme for law graduates. The programme particularly welcomed applications from Black and Minority Ethnic candidates, including those from socioeconomically less advantaged backgrounds.

These initiatives are delivering progress. For example, since the 2020 launch of our Race Action Plan we have met our annual target for 35% of our UK trainees to identify as Minority Ethnic, and in Year 3, fell just short of our target for 10% of all UK trainees to identify as Black. We remain focused on widening access to the legal sector to ensure we consider the most diverse pool of candidates for every role.

#### **Embedding an inclusive culture**

We know our differences make us a better and stronger law firm, and we are using our position as a global business to create fairer systems and a more inclusive culture within our firm and beyond.

#### **Engaging our people**

Our Team Linklaters Way outlines our shared global Values and our commitments to each other, our clients and society, how we conduct our business as individuals. We expect the highest standards of behaviour by all of our people at all times. We ensure that the environment in which our people work is an inclusive one and where equality of opportunity and respect for each other is non-negotiable.

We want to encourage everyone to play their part in advancing our work on DEI, and be actively involved in creating an inclusive culture that enables us to attract and retain the best talent.

# Recognising contributions to Diversity, Equity & Inclusion

In November 2022, Linklaters introduced a new global policy for up to 100 hours billable credit and recognition for contributions to DEI to recognise and reward those people who dedicate their time, energy and passion to enhancing the firm's culture — acknowledging that it is often those from underrepresented backgrounds who disproportionately spend time supporting and advising on DEI initiatives.

More than 10,000 hours have been spent on DEI activities by lawyers globally since November 2022.

We also want colleagues to feel empowered to engage with the conversation and support their colleagues. We have taken significant steps in recent years to raise our collective understanding of the different barriers colleagues may face, as well as differences in perspectives and experiences:

- > Our Reverse Mentoring Programme gives senior leaders in our firm an opportunity to build their awareness and understanding of different people's perspectives and experiences. Reverse Mentoring flips the traditional mentoring relationship model on its head, with junior mentors sharing their personal experience and insights with a more senior mentee with the goal of making the firm more inclusive. So far, we have had around 100 senior leaders participate in the scheme, with 100% of participants endorsing the scheme as a way to foster inclusion in the firm.
- > In 2020, we publicly declared our commitment to become an anti-racist firm and pledged to improve the representation of Black and underrepresented Minority Ethnic lawyers and Business Team members at all levels in our firm. Our 2020 Race Action Plan set out how we planned to accomplish this and the concrete actions we wanted to take, aligned to aspirational targets. To support these commitments, in 2021 we launched our global anti-racism e-training module, 'Through our Eyes'. In 2022 we achieved a 93.8% completion rate.

#### Pioneering policies

We continue to implement policies to level the playing field and create a more inclusive culture where everyone is supported to perform at their best. Key policies introduced in the UK include: Bank Holiday Exchange Scheme; Menopause Policy; Neurodiversity Assessment Package; New Parent Leave Policy; Adjustment Days Policy for returning parents; Pregnancy and Baby Loss Policy; IVF and Fertility Treatment Policy; Gender Reassignment Policy; and Domestic Abuse Policy and Package of Support. All policies are LGBTQ+ inclusive.

Our Innovation, Technology and Knowledge and Learning teams have also collaborated to review and amend our contracts, memos and other legal precedents to ensure they are drafted in a genderneutral way - something important to the firm, our employees and our clients.

#### **Our Global Menopause Policy**

In 2022, we announced the launch of our global policy and package of support for anyone experiencing the menopause directly or indirectly. People should not have to navigate the menopause in silence. We hope that this approach will strengthen our culture of openness and our commitment to caring for our people at every stage of their lives. We provide access to a global menopause support group, facilitating open discussions and encouraging people to share experiences as well as a dedicated intranet page to raise awareness, educate and support.

#### **Celebrating and supporting DiversAbilities**

As members of The Valuable 500, we are committed to fostering an inclusive workplace for all colleagues with diverse abilities to ensure they have the adjustments and support they need to thrive. Our DiversAbilities Action Plan sets out four priority areas, including: premises; recruitment; employee experience; and education. We keep the plan under constant review and are challenging ourselves to ensure that our work in this space reflects our commitment.

Linklaters is a Disability Confident Level 2 employer. Disability Confident is a UK government scheme which helps us attract, recruit and train staff with diverse abilities. The scheme provides advice and information to help us increase our understanding of disability and remove any possible barriers to the workplace that disabled people or those with long-term health conditions might face. By removing barriers, we hope to widen our prospective talent pool even further.

In the UK, Linklaters is also an early adopter of the new Neurodiversity Assessment and Support Pathway offered by AXA, helping us to ensure that our Private Medical Insurance offering is competitive and aligns with our commitment to DEI. The service offers colleagues and eligible family members an initial needs assessment and, where appropriate, further specialist assessment and early support for autism, ADHD, dyslexia, dysgraphia and dyscalculia.

#### **Health & Safety and Wellbeing**

Supporting DiversAbilities is also central to our broader Health and Wellbeing Strategy.

The health and wellbeing of our people is recognised as a critical business issue for the firm globally and creating a working environment that supports, encourages and promotes wellbeing is a key part of our firmwide strategy.

The focus of our global Health and Wellbeing Strategy is:

- > To help our people take responsibility for their physical and mental health and build their resilience; and
- > To guide our partners and leaders to support the health and wellbeing of people in their teams, recognise and address the signs of ill health (mental and physical), and refer people to resources the firm provides to help and support.

To deliver on this strategy, we want to make it as easy as possible for our employees to access support when they need it, and so have engaged with a number of leading external organisations to provide our colleagues with quality, accessible health and wellbeing facilities and services.

In 2022, we partnered with Peppy, a digital healthcare and wellbeing platform that helps our UK-based colleagues take control of their health and get the answers they need from human experts, anytime, anywhere. Peppy provides support on fertility, baby, menopause, men's health and women's health through private video consultations, articles and insightful videos, health and fitness programmes and mental health support.

Linklaters is also a proud signatory of the Mindful Business Charter, a collective commitment from a wide range of businesses and law firms aimed at promoting healthier and more effective ways of working in the UK legal industry. The Charter brings together in-house legal teams and legal services providers to reach a shared agenda for mental health and wellbeing.

Linklaters was awarded the "Excelling" accreditation in the MindForward Alliance UK's Thriving at Work assessment in 2022, attained the highest level of accreditation in MindForward Alliance's 2023 Thriving at Work Assessment in Singapore and in 2023, maintained the highest level of accreditation, "Enhanced", in the City Mental Health Alliance Hong Kong's Thriving at Work assessment, recognising best practice in developing workplace mental health and wellbeing strategies.

Our UK Health & Safety Policy sets out our commitment to compliance and continual improvement of our health and safety management system and to providing our people, clients and visitors a legally compliant and safe workplace and working environment that supports, encourages and promotes health and wellbeing.



Our UK offices are accredited to the ISO 45001: Occupation Health and Safety Management System Certification.

### **Ensuring equality of opportunity**

We also recognise that in the legal sector barriers can extend beyond entry and we are committed to ensuring equality of opportunity at every stage in the employee lifecycle.

We're committed to helping our colleagues progress personally and professionally, and provide a full curriculum of learning opportunities for everyone at the firm, irrespective of background, with sessions tailored for different teams and aligned to our global core competencies, to help our people maximise their potential. From one-hour workshops to leadership courses that run over multiple days, we continuously invest in the development of our people.

Recognising the additional barriers that individuals from underrepresented backgrounds can face in their progression in the legal sector, and the impact this has on retention, we continue to deliver a range of programmes to address these barriers and give diverse talent every opportunity to thrive at the firm.

#### **Programmes and performance**

We strive to identify those initiatives and actions that will yield the greatest impact for our firm and accelerate our progress towards becoming a diverse and inclusive culture, and set ambitious targets to hold ourselves accountable.

Our 2020 Race Action Plan sets out how we as a firm plan to accomplish racial equity and opportunity at all stages of the career path, from school-age to leadership positions. The plan includes concrete targets and actions we will take.



In Year 3, we met our target for 15% of underrepresented Minority Ethnic partners in new partner elections annually (UK and US).



In Year 3, we met our target to have 15% Black and under-represented Minority Ethnic partners by 2025 (UK and US).



In Year 3, our target to have five times as many Black partners globally by 2027 was in progress.



In Year 3, our target for proportional retention of White, Black and under-represented Minority Ethnic colleagues was partially met. We have been pleased to see an improvement in our overall retention rates compared to last year and a specific improvement in retention of our Black lawyers, but recognise further work is needed to achieve our aim of proportional retention for all ethnic groups.

You can find more details on our progress to date, the challenges we have seen, and the steps we have in plan to meet our targets here.

# **INspire Minority Ethnic Talent Programme**

Our global talent development programme, INspire Minority Ethnic Talent Programme, aims to support, retain and progress our Minority Ethnic talent who are between junior and senior associate level, and also junior to mid-level colleagues in our Business Teams.

Over the last four years, we have had 84 participants from offices including the US, UK, Luxembourg, Belgium, France and Germany. Importantly, this programme places equal emphasis on equipping line managers who are responsible for nurturing and sponsoring diverse talent. To date three alumni have been elected as Partners and two as Counsel.

We have also set ourselves targets to strengthen our partnership gender diversity, including to achieve at least 40% women in all new partner elections and 30% women on the firm's Executive Committee,

Partnership Board and in management roles.



In FY23, we met our target for 40% of new partner elections each year are women.



Currently, 46% of Partnership Board, and 36% of Executive Committee members are women, above our target of 30%.



Currently, 50% of our Director Group, senior leaders in our non-client facing business teams, are women, above our target of 30%.



It was an unforgettable experience that changed the way I look at my career and trajectory in the firm and has given me tools to propel me forward as I advance in my profession."

**INspire 2022/3 Participant** 

To ensure we meet our gender targets, we are working to create a balanced and sustainable pipeline of female talent at every career level and in every practice and office.

- > Our global Women's Leadership Programme (WLP) has been in place for a decade and has helped us create a sustainable pipeline of female talent for partner and counsel roles in our firm. Over the nine-month programme, mid- to senior-level female Associates get access to executive coaching, senior sponsors and structured career planning. Since 2014, 70% of our female partner elections have been WLP alumnae and 47% of our women partners globally are alumnae of this programme.
- > Our group coaching programme Stepping Forward, aims to improve the retention and progression of junior associate women and has been carefully tailored to the evolving needs of our female associates, with the aim of supporting them to think strategically about the next stage of their careers.

Measuring our progress is an essential part of our approach to diversity at Linklaters. We publish annual reports on our diversity and inclusion statistics, and the gender pay gap (UK only).

Like most global firms, we are precluded from collecting, storing and reporting sensitive categories of diversity data for legal, cultural and regulatory reasons that exist in a number of jurisdictions in which we operate.

In our UK and US offices, we are able to collect and report on a number of categories of diversity data including race and ethnicity, LGBTQ+ identity, social mobility, and disability/ DiversAbility. However, this data can only be collected on a voluntary, self-identified basis. This leads to varied disclosure rates across different demographic categories meaning data is not always fully representative of our workforce.

#### Reviewing our policies and processes

We recognise that our people may well wish to flex their working arrangements over their careers.

In 2020, we implemented a global agile working policy, with a particular focus on remote working, that empowers Linklaters employees to determine where they get their work done, without having to request permission. Under the policy, employees are able to work remotely, for up to 20-50% of their time, as long it is communicated to teams in advance and operational roles are fulfilled. This approach has now evolved into hybrid working, mixing time spent with colleagues in the office with the flexibility to work remotely, giving individuals and teams the flexibility to adapt their ways of working to meet client and individual needs.

We also regularly review our approach to resource allocation to ensure equality of opportunity. We use Resource Allocation Managers in all major practice areas to ensure that work is being allocated in a fair and consistent manner in line with our diversity aims. Data from this process is reviewed through the gender and ethnicity lens to ensure fairness and equality of opportunities.



#### **DEI** in our supply chain

DEI is a core part of our firmwide strategy and we aspire to extend these principles to our suppliers and ensure our supply chain is truly inclusive. We ask our suppliers to demonstrate their commitment to DEI through clear policies and initiatives to increase DEI in their own workplaces and supply chains.

We also recognise the opportunity we have to support diverse businesses through our procurement decisions. In June 2023, we commenced a partnership with TealBook, the supplier diversity monitoring platform, to better enable us to track the diversity of our suppliers, explore opportunities to maximise our supplier diversity spend, and increase our engagement with SMEs, minority ethnic businesses, suppliers from underrepresented groups and social enterprises. As a firm we continue to champion the benefits of an inclusive supply chain and look to increase our annual spend with diverse suppliers.

#### **Buy Social Corporate Challenge**

Social enterprises are businesses trading in aid of a social or environmental mission. At Linklaters, we are dedicated to buying from social enterprise suppliers. As one of 30 partners on the Challenge, we work with Social Enterprise UK to find suppliers for the products and services we need, from hospitality to consultancy and skills development to business support. Some of the social enterprises with which we have worked include Change Please — our UK coffee manufacturer and a social enterprise where 100% of profits go to supporting those experiencing homelessness — or Hey Girls, a period product social enterprise on a mission to eradicate UK period poverty.

Together with the other Challenge partners. We have collectively spent more than £99 million with social enterprise suppliers in the last year alone — the most successful year since this work started in 2016. This means millions of pounds reinvested in social or environmental causes and thousands of jobs created using our purchasing power to help people and planet. Since it began in 2016, the Challenge has driven:

- > £355 million spent with social enterprise suppliers.
- > £31.9 million reinvested in social or environmental causes.
- > 3,400 jobs created at social enterprises
- > 1,430 social enterprises brought into supply chains.

#### **DEI** and our clients

Our market-leading and multidisciplinary team of highly experienced equality, diversity and inclusion lawyers and practitioners are at the forefront of supporting clients on the legal, regulatory, governance, cultural and strategic diversity and inclusion aspects of their businesses.

Our dedicated Diversity Faculty around the globe shares extensive insights, commentary and news covering key diversity and inclusion topics for businesses, including: pipeline; promotion and retention; using quotas; targets; and the risks of positive discrimination training.

# Collaborating with clients on DEI Programmes

We frequently collaborate with clients on DEI. For example, since 2022, we have partnered with one of our global investment banking clients on a programme for Linklaters associates to be mentored by senior contacts in their EMEA legal and business teams. The programme has created opportunities to support the development and growth of our talent from underrepresented backgrounds, with regular mentoring meetings and programme events. Mentees develop their product and client knowledge and expand their network within the client.



#### **Governance - it starts at the top**

We know that diversity, equity and inclusion make us a better business — that's why our DEI ambitions are an integrated part of our overall business goals. We have a dedicated DEI strategy, backed up by comprehensive action plans, that are a central part of our overall firmwide strategy. Our Global People Committee, a sub-committee of the Executive Committee, is responsible for driving forward our strategy and accounting for progress to the Board.

We also understand that our leaders set the tone and define the culture of DEI. We have two Global Diversity Partners, who sit on our Global People Committee. In addition, we have appointed Executive Champions who are members of our Partnership Board and Executive Committee, to lead on each priority strand: they are responsible for raising awareness and driving cultural change in our firm.

# From global ambitions to local relevance

We understand the importance of creating local relevance for our global DEI agenda. That's why, in addition to our DEI leaders mentioned above, our efforts are supported by a network of circa 30 local Diversity Partners.

Based in each of our international regions, these partners help to set expectations, to create context, and to give cultural nuance to our global ambitions and interpret and implement our strategy in their region.

### **External commitments and recognition**

We recognise the need for accountability and transparency, and we use key external benchmarks and standards to demonstrate our commitment. Recent highlights include:



Ranking 14th on the 2022 Social Mobility Employer Index, recognising our commitment to ensuring that personal background, social identity and socioeconomic circumstances are not barriers to success.



We're a Disability Confident Level 2 Employer in the UK, which helps us to increase our understanding of disability and remove possible barriers in the workplace.



Achieving Gold Standard at Community Business' 2023 LGBT+ Inclusion Index in Hong Kong: Asia's first multi-market benchmark on corporate policies and practices for creating inclusive workplaces for LGBT+ employees.



#### What's next

- > Race and Ethnicity: In line with our 2020 Race Action Plan, we have an ongoing commitment to increasing representation of Black and underrepresented minority ethnicities in our firm by focusing on recruitment, retention and progression to leadership positions. Up to date progress may be found here.
- > **Social Mobility:** In 2018, we were the first Magic Circle law firm to release our Gender Pay Gap figures, opting to go further than the statutory requirements and publish our data including equity partners, as well as ethnicity pay gap figures. We are now looking to further expand our commitment to transparency and voluntarily report on the "Socio-Economic Pay Gap".
- > **DiversAbilities:** We are thoroughly reviewing our onboarding processes through a DiversAbilities lens to ensure that everyone has a consistent and supportive reception when they join our firm. This includes developing a platform that allows our HR professionals to receive updates and reminders on the status of reasonable adjustments.
- > **Gender:** In January 2024, we will be inviting clients and high-performing female Business Teams colleagues to join our lawyers on the Women's Leadership Programme, providing access to a structured learning and coaching programme, and opportunities for participants to strengthen their network.

- > LGBTQ+: We will continue to strengthen connections between our networks around the globe with regular Global LGBTQ+ Townhalls specifically aimed at members of the community to better facilitate collaboration, sharing of best practice, and to support each other by sharing stories and experiences.
- > **Age and Life Stage:** We will continue to review our policies to ensure we are delivering comprehensive health and wellbeing support to people of all ages and life stages.

# **Spotlight:** ESG equipped

With sustainability directly and indirectly influencing all aspects of our work, we must ensure all our people continually develop an awareness of key issues and how they relate to our clients and to our business. This means building our knowledge and learning, encouraging innovation and recognising that, the more diverse that we are, the better equipped we will be to face these new opportunities.



# Developing our ESG capability

As the ESG agenda evolves, we recognise the need to invest in our people, to develop their ESG competency, and to equip them with in-depth knowledge of climate change. The firm runs a constantly evolving programme of training sessions, briefings and similar initiatives. These are designed to build awareness and understanding of climate change and the energy transition, and what this means for the firm (and its clients).

One of these is the ESG Accelerator Programme, which we ran in collaboration with the University of Oxford from 2020-2022. The ESG Accelerator is a six-month programme of education, business planning and client engagement activity. It has been rolled out to several cohorts of the firm's senior lawyers to equip them to provide comprehensive ESG services across all major practice areas and to support clients in addressing the risks and opportunities presented by climate change. This is in addition to the delivery of practice-specific, condensed versions of the ESG Accelerator content to a number of teams across the firm. We have delivered over 60 internal standalone training sessions on ESG by its specialist practitioners, a series of ESG-focused graduate recruitment initiatives and targeted sessions on the energy transition for our global partnership.



# **Social Impact**

Our social impact work draws on our expertise for the benefit of not-for-profit organisations globally (see page 36), but the benefits flow both ways. In helping different charities further their ESG goals, our people increase their understanding and expertise in key issues and contexts. This helps us inform our advice to commercial clients and continually improve our own operations. For example, our pro bono support for Living Wage Foundation helps our firm to stay at the forefront of developments in this area.

Our target of 50% participation in our social impact work aims to see these benefits grow, and encourage more of our people to deepen their empathy and global mindset.



# Diversity, Equity & Inclusion

We recognise that diverse voices round the table help us to anticipate opportunities, come up with creative solutions to problems and make good decisions.

There is much to be gained by talking to colleagues with very different experiences of life. As well as ensuring that our career development offering is inclusive, adaptable to, and focused on the real needs of our people, our DEI Function and 14 employee-led affinity networks raise awareness of barriers faced and, through external collaboration, share insights on how we can embed an inclusive culture and nurture diverse talent. Allyship underpins this approach and we are pleased that so many of our people participate in a wide range of related events throughout the year.



5. Environment



# 5. Environment

Linklaters recognises the urgency and importance of strong environmental action, and have taken many steps since 2007 to reduce negative impacts and make positive contributions. We pursue further opportunities to reduce our impacts and associated emissions, including through energy and resource efficiency, waste prevention, by promoting conscious travel, circular economy principles, responsible sourcing and supply chain engagement.

We are proud to have adopted Science-Based Targets, committing to reducing our carbon emissions by at least 50% by 2030, and have an established firmwide Carbon Reduction Programme in place to drive reductions.

Our Firmwide Environmental Policy sets out our firmwide commitments and aspirations, which are delivered through our Global Environment Programme and formal Environmental Management System (EMS) which applies to the 25 offices with 30+ people. Our firmwide EMS is certified to ISO14001. As far as we are aware, we are one of only two international law firms to be globally certified to ISO14001.

Linklaters' Environment Programme is focused on managing environmental impacts in our operations and supply chain across six core areas:



Climate Mitigation and Carbon Reduction



**Resource Conservation** 



Waste Minimisation and Circular Economy



**Supporting Biodiversity** 



Pollution Prevention

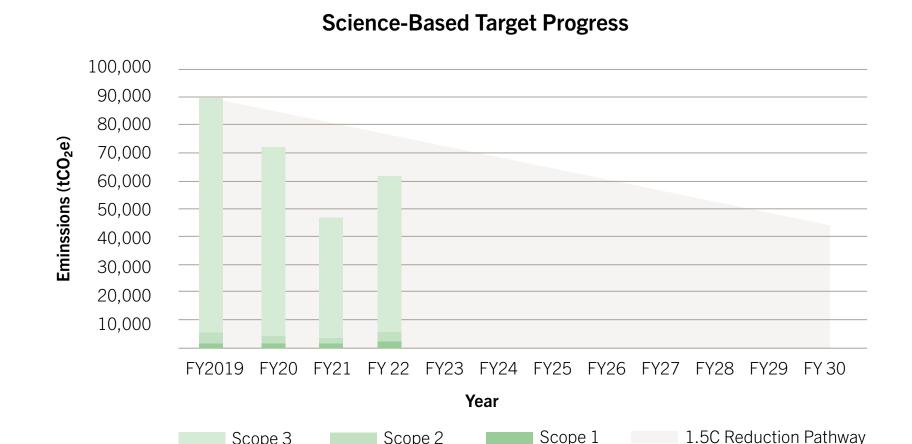


**Engaging Our People** 

As part of our Environmental Programme, we set local targets and objectives to drive continual improvement across our key focus areas.

Beyond our operations and supply chain, we recognise the significant potential impact and influence of our environmental work with clients. You can find further details on the steps we are taking to embed climate considerations in our broader strategy on page 8.

# Recent highlights





Between FY19 and FY22, we reduced Scope 1 & 2 emissions by 28%, and Scope 3 emissions by 32%.



We increased the proportion of electricity sourced from 100% renewable energy supply to 81.5% in FY22.



As of July 2023, 24% of our suppliers enrolled on EcoVadis have made a commitment to Science-based Targets.

Linklaters remains the only global law firm to have reported GHG emissions through the CDP Climate Change questionnaire since 2012. In 2022, we received a B rating, which is higher than the specialised professional services sector average.

### Climate mitigation and carbon reduction

In 2021, Linklaters adopted science-based carbon reduction targets:



To reduce Scope 1 & 2 emissions by 70% by 2030 against a FY19 baseline.



To reduce Scope 3 emissions by 50% by 2030 against a FY19 baseline.

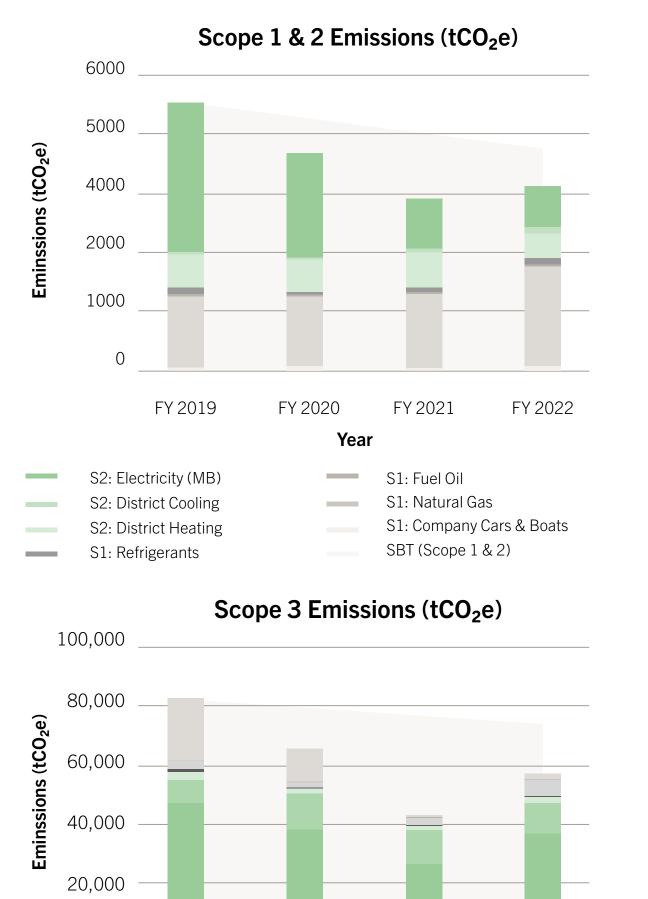
To deliver on these targets we established a firmwide Carbon Reduction Programme which has driven and influenced a number of changes, detailed throughout this chapter.

Progress between FY19 and FY22 included:

- > 28% reduction in Scope 1 & 2 emissions
- > 32% reduction in Scope 3 emissions

Our FY21 and FY22 reductions, in particular business travel and purchased goods and services, were influenced by pandemic restrictions, different ways of working, the return to hybrid working under our Agile Working Policy and key project investment.





FY 2019

Business travel

Downstream leased assets

Commuting & Working from home

Waste generated in operations

Investments

FY 2020

Year

FY 2021

Capital Goods

FY 2022

Upstream transportation and distribution

Carbon Reduction Target (Scope 3)

Fuel-and-energy-related activities (S3)

Purchased Goods & Services

# Sustainable by design

Linklaters is working to integrate carbon reduction into our property processes, including seeking more renewable energy and better energy efficiency.



We exceeded our target of securing 80% of our electricity from 100% renewable energy supply by 2025, with 81.5% of electricity sourced from a 100% renewable energy supply in FY22.



60.1% reduction in electricity emissions and 23.2% increase in natural gas emissions between FY19 and FY22.

Linklaters does not own any premises and have varying levels of control of these premises and our resource usage. Depending on lease termination dates, we either relocate or refurbish the premises to upgrade the facilities.

Our office fit out and move designs are informed by environment, health and wellbeing certifications and our own guidance and generic specifications which are built into our Global Design Guide and supported by Sustainable Design Checklists.

We have leading environmental certifications across our offices, for example:

- > A LEED platinum (and DGNB gold) in Frankfurt, Dubai and Jakarta; LEED silver in New York and Stockholm.
- > A 'Class A' building in Milan, an A-label building in Amsterdam and a BCA Green Mark Scheme building in Singapore.

> From 2026, our new headquarters will be in 20 Ropemaker, London which is designed to be a BREEAM (Shell and Core) 'Outstanding' rated and WELL 'Platinum' certified building. We are working with our fit-out design team to achieve the highest BREEAM and WELL certificates for the fit-out design and are on target to achieve these.

#### **Our New York office relocation**

For the New York office relocation, completed in November 2021, we moved to a more sustainable building with LEED Silver certifications and incorporated sustainable design elements including Energy Star rated electronic equipment, occupancy sensors, CO<sub>2</sub> monitors in densely occupied areas and LED light fixtures. This has resulted in a 63% energy consumption reduction and 373.5 tCO<sub>2</sub>e saving in our new office during FY22 compared with FY20 in our previous office.

### Managing our supply chain

As with all professional services firms, our most material emissions sit within our supply chain, representing 77% of our total GHG emissions in FY22. To achieve our near-term, Science-Based Targets, engaging with and supporting our suppliers to make meaningful carbon reductions is imperative.

As an absolute minimum, we expect suppliers to comply with all applicable environmental laws, regulations and standards, whilst striving to adopt the best environmental practices for their sector. We ask suppliers to implement initiatives which will reduce the adverse environmental impacts associated with their products and services by taking a lifecycle approach and by adopting measures across: carbon reduction; energy efficiency and renewables; waste minimisation and the circular economy; and supporting biodiversity.

To support the delivery of our refreshed programme, in 2022 we also began rolling out EcoVadis, the sustainability rating and monitoring platform, with our most material suppliers.

EcoVadis is providing more accurate carbon emissions data for our key suppliers, and is a key strategic enabler for our scope 3 emissions reduction plans. Looking forward, we will be rolling out EcoVadis to cover more of our supply chain and leveraging the insights to develop reduction plans and targets for specific emissions categories and suppliers.



As of July 2023, 23% of our suppliers enrolled on EcoVadis have approved Science-Based Targets.



As of July 2023, 31% of our suppliers enrolled on EcoVadis were reporting on their energy consumption and greenhouse gas emissions.

We have also worked hard to enhance the quality and accuracy of our measurement and reporting eg. in 2022 measuring our UK catering emissions at product level for the first time. During FY23, we have also started to measure emissions from firmwide sourcing of mobiles, laptops and printers at product level.

### **Exploring low carbon alternatives with our suppliers**

Collaborating with the right partners, and working together to explore low carbon alternatives, is key. In 2023, Linklaters partnered with DHL Express on its GoGreen Plus service to inset the carbon emissions associated with our shipments across the Asia Pacific and United Arab Emirates through the use of Sustainable Aviation Fuel (SAF).

### **Business travel**

As a leading, global law firm, business travel is a significant part of how we do business, but it is also a significant contributor to our operational carbon footprint. As lockdown measures were lifted and business travel resumed, we recognised the significant opportunity to 'build back better', explore different ways of working, and ensure that sustainability considerations are front and centre when employees are travelling for business.

Through our 'Think Before You Travel' campaign we provide colleagues across the globe with the tools and tips to travel more consciously, and we are working with travel management companies to make travel-related emissions visible at the point of booking to empower our people to make informed, conscious decisions.

We are also working with our travel providers to track and measure our emissions at the route, country and team level to track our effectiveness and inform future reduction initiatives.

### Think before you travel

Why not virtual?

Can one trip serve multiple purposes?

Could you take a lower emissions form of travel?

Can you reduce the frequency of travel, especially flights?

#### Tips for conscious travel



Take public transport and rail rather than plane, where possible.



The lower the flight class, the lower the equivalent CO<sub>2</sub>e emissions.



Select venues and accommodation near good public transport links. Select venues and accommodation

#### **Resource conservation**

Energy, water and resource efficiency continues to be a key focus area for the firm.

Between FY19 and FY22, we:



Reduced total energy consumption by 1%, from 32,789,162 to 32,405,244kWh.



Reduced energy efficiency by 2%, from 191 to 195kWh/m<sup>2</sup>.



Increased renewable electricity procurement by 12%, from 73% to 81.5%.



Reduced water consumption per person by 55%, from 11.2m<sup>3</sup> to 5m<sup>3</sup>.



Reduced paper consumption per person by 74%, from 23.2 to 6 reams.

#### Waste minimisation and circular economy

Another key focus is waste minimisation and embedding the circular economy principles into our activities, moving away from the traditional take, make and create model to an integrated approach which retains material value. This approach is supported by initiatives including:

- > Reusing office furniture including sit-stand desks, storage, doors and glazing
- > Repairing lamps in our UK workshop and polishing timber furniture to extend its life
- > Reusing and reupholstering office chairs
- > Extending the usable life of laptops, screens and printers
- > Segregating electronic products for reuse through repair, sale and donation.

We have also taken a number of steps to reduce single-use plastics and disposables including:

> Replacing single-use plastic cups, stirrers, straws, lunch boxes and paper cups with reusable items and encouraging people to bring their own in multiple offices including New York, Paris, Hong Kong SAR and London.

- > Since we launched our UK 'Ditch the Dispo' campaign, we save around 100,000 coffee/hot drink cups, 600,000 sets of plastic cutlery and 24,000 disposable food boxes each year.
- > Engaging suppliers to implement supplier take back and reusable packaging schemes and to reduce unnecessary plastic content and packaging.

Progress between FY19 and FY22 included:



Reduction in total waste generated by 55% by weight from 1,628 to 740 metric tonnes.



Reduction in waste generated per person from 247 to 111kg.



Reduced total recycling rate from 75% to 71%.

### **Biodiversity**

At Linklaters we see nature as an ally to our business and are committed to helping protect and restore the natural world. We seek to prevent further destruction of habitats and forests through restoration and improving biodiversity.

- > In September 2022, our expectation for suppliers to support biodiversity was embedded in our refreshed Responsible Sourcing Policy and Supplier Code of Conduct.
- > Between 2018 and 2022, Linklaters offset emissions associated with our traditional business activities including travel and premises through the Gola Rainforest Conservation Project in Sierra Leone, protecting over 140,000 hectares of rare rainforest with numerous endangered wildlife.
- > From beach clean-ups in Singapore to tree planting in Poland, supporting coral restoration projects in Kenya and plastic fishing in the UK, our people have contributed to numerous nature-positive projects through our Social Impact activities.

### **Engaging our people**

Our progress to date would not be possible without the energy and commitment of our people, and to meet our targets we need colleagues in every office and department to engage and take action.

Every one of our people has a role to play in advancing our environment programme and reducing our negative impacts. Through training, communications and events, we look to involve and empower employees across the globe to take action. Whether it is travelling more consciously, recycling more consistently or contributing to the discussion proactively, we want employees to feel equipped as well as engaged.

Colleagues globally are introduced to the firm's environmental priorities and commitments during their induction, and we share regular updates on our local and global progress.

#### **World Environment Day 2023**

For World Environment Day 2023, the UN asked individuals to join the global effort to #BeatPlasticPollution — a call for collective, transformative action to tackle the creation of plastic waste, reduce plastic pollution and move to a circular economy.

From counting a quarter of a million penguins to cleaning beaches, recycling unwanted electronics to macramé workshops, teams across the globe came together to #BeatPlasticPollution, in the office, at home, and in our communities.

#### **Supporting environmental research**

For World Environment Day 2023, colleagues from almost every office came together to help researchers understand the impact of plastic pollution and climate change on penguins in Antarctica. In one week, colleagues collectively volunteered for 400 hours to tag penguins from drone images, completing 27,886 classifications, and collectively counting over 250,000 penguins, chicks and eggs. Linklaters broke the Zooniverse classification record for the largest Zooniverse corporate partner impact achieved in one week.

### **Environmentally focused pro bono matters**

Our people devote hundreds of hours pro bono to organisations with an environmental or sustainability focus each year. Recent global highlights include:

- > Acting as ongoing remote legal advisors to the Legal Response Initiative (LRI) at the global COP summits around the world, undertaking research on points of law to support climate-vulnerable countries during negotiations.
- > Providing regulatory advice to BirdLife International, a global partnership of non-governmental organisations that strives to conserve birds and their habitats.
- > Providing corporate governance support to the European Roundtable on Climate Change (ERCST). The ERCST provides a neutral space where policymakers and regulators can meet stakeholders and discuss climate change policy and a sustainable transition to a low-GHG economy.
- > Ongoing legal support for Goumbook, the main reference on green practices and sustainability across the UAE. Advice from lawyers in our Dubai office spans the full spectrum of Goumbook's work, such as global corporate partnership agreements and project documentation including for its 'Refill' campaign that seeks to reduce plastic pollution across the region by encouraging refillable water bottles and creating the infrastructure for them.



### **Supporting our clients**

We have advised on many of the most complex and high-profile renewables deals and have advised on several first in market mandates in the energy transition space, including the first offshore windfarms in Poland, France, Taiwan and Japan, green steel in Sweden and the largest biofuels project in Denmark. We support financial institutions and corporates on financial products and the raising of capital related to the transition and we assist many more clients on their own transition strategies and the full spectrum of ESG issues.



We have engaged with at least 45% of our top clients by global revenue, providing information on emerging ESG trends and regulations and advising them on aspects of their own climate strategies.



We share extensive thought leadership content through our Sustainable Futures Blog and our net zero microsite.

Just as our suppliers are important to our own carbon reduction plans, our environmental progress is important to our clients and we provide client-specific emissions to support them in understanding our contribution to their carbon footprint.

#### Governance

To ensure the firm meets its environmental commitments, our sustainability strategy and Environment Programme receive significant board oversight, detailed on Page 6.

Since setting our firmwide carbon reduction targets in 2021, we have established a firmwide Carbon Reduction Programme with a governance structure comprising a Steering Group, a Heads of Delivery group and a Core Team. The Steering Group is responsible for providing strategic direction and a point of escalation and reports to the Corporate Responsibility Committee and to the Executive Committee. The Heads of Delivery group includes representation from departments with the largest impacts and opportunities for improvement including premises, travel, operations, technology, hospitality, events and learning & development.

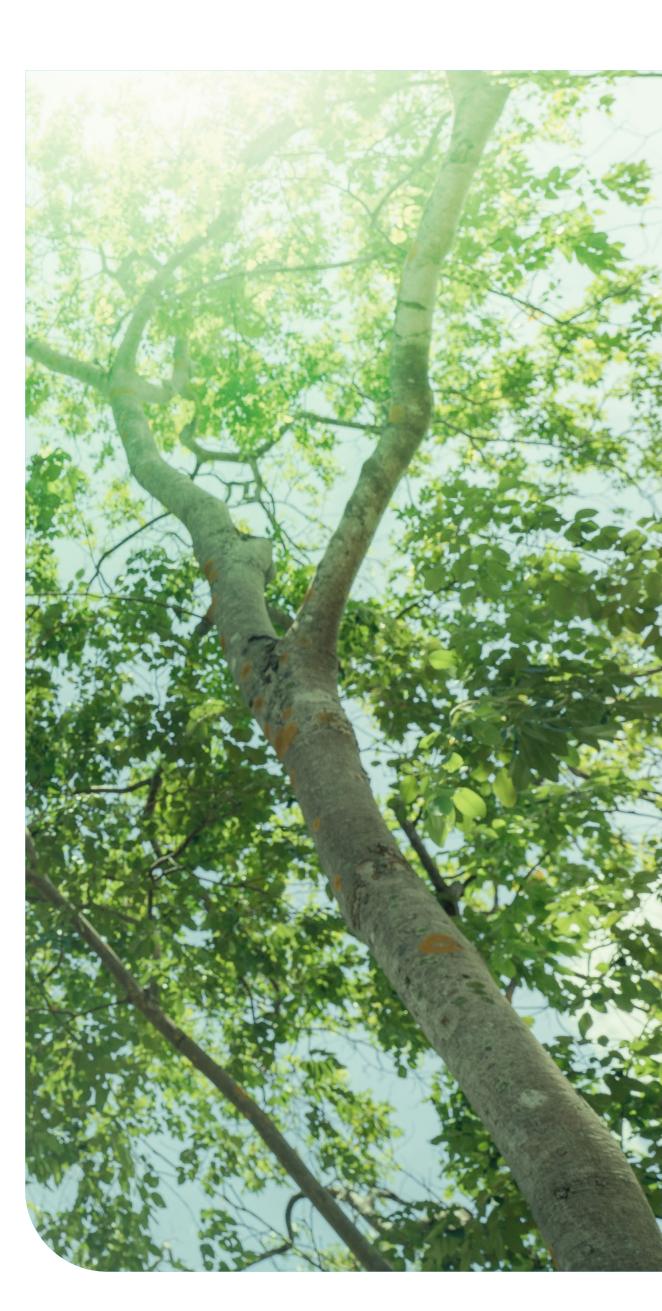
## **External commitments and recognition**

- > Firmwide Environmental Management Systems certification ISO 14001:2015
- > CDP Climate Change Questionnaire B Rating 2022
- > Founding Member of the Legal Sustainability Alliance
- > EcoVadis Silver Award

#### What's next

We have made good progress in recent years to reduce our negative environmental impacts. We are committed to maintaining this momentum and have set a number of ambitious near-term priorities:

- > Sustainable spaces: We are committed to delivering on our sustainability commitments in our office fit-outs and renovations, and in particular to achieving the highest BREEAM certificates for the fit-out design of our new UK Head Office, 20 Ropemaker. We will report on progress in future reports.
- > Renewable energy: Having delivered on our interim target to secure 80% of our electricity from a 100% renewable energy supply by 2025, we are now exploring opportunities to decarbonise our heating and cooling.
- > **Supply chain emissions:** We are committed to working with suppliers to improve the quality of our supply chain emissions data, by increasing the number of suppliers sharing robust emissions data, and by collaborating with suppliers to develop their reduction plans.
- > **Business travel:** As business travel resumes postpandemic, we will continue to support colleagues in making informed choices about how and when to travel, and develop targeted reduction plans across our offices and busiest routes.



# Spotlight: 20 Ropemaker

In 2026, Linklaters' HQ will be moving to 20 Ropemaker Street in London. As well as an exciting time for the firm, this is an excellent opportunity to meaningfully address the impact of our largest office.



# Sustainable spaces

From 2026, our new headquarters will be in 20 Ropemaker, London, which is designed to a BREEAM (Shell and Core) "Outstanding" rating, and we are working with our fit-out design team to achieve the highest BREEAM certificates for the fit-out design which we are on target to achieve.

We applied sustainable design principles to our designs, influenced by our Global Design Guide Sustainability requirements. These support and advocate for the specification of energy-efficient equipment, LED lights, water-efficient appliances, increased access to and use of daylight, occupancy sensors, low-emission paints and floorings, and FSC timber.



# Health & wellbeing

We are also working to prioritise, the health, safety and experience of colleagues, and have embedded these at the heart of our processes. The office is designed to a WELL 'Platinum' rating, and we are working with our suppliers to achieve the highest WELL certificates for the fit-out design which we are on target to achieve.



# Sourcing responsibly

By leveraging our sourcing spend, we recognise the opportunity we have to lead by example on matters relating to responsible sourcing.

Sustainability considerations are being embedded across the project procurement lifecycle, from the initial pre-screening and due diligence, through the supplier terms, and in the ongoing supplier relationship management.



# **Social Impact**

Much like our current HQ, our new head office will be central to our community impact efforts in London. With numerous event and multi-functional spaces, and improved AV & Tech capabilities, 20 Ropemaker will ensure the sustainability of our local community partnerships and open up exciting opportunities to expand our virtual and in-person social impact offering.



# Diversity, Equity & Inclusion

Our office needs to work for all of our colleagues, clients and communities, and we are taking a number of steps to assess and ensure the accessibility of our new headquarters in line with our Diversabilities Action Plan and Valuable 500 commitment.



6. Social Impact



# 6. Social Impact

We have a duty and an opportunity to make a difference to our clients and to the world we live in. Our Social Impact Programme seeks to draw on our talent, our scale and our imagination to tackle the vital challenges of today and tomorrow. We work in deep, multilayered, enduring partnerships with thirdsector organisations; seeking to address their needs and help them achieve transformative change.

Through such partnerships, in FY23 we supported the process of resentencing thousands of prisoners on death row in Kenya, improved the effectiveness of humanitarian assistance in Guatemala and challenged systemic racism in the US and the UK.

We work across all themes and geographies, prioritising projects where we can innovate and leverage all our legal and professional capabilities for tangible impact.

Raheem, pictured overleaf on page 36, runs Brothers Safe Space, a community support group for African and Caribbean men in Haringey, London. Raheem received mentoring support from Linklaters and the School for Social Entrepreneurs.

# **Recent highlights**

We are ambitious for our Social Impact practice its reach, its quality and its impact.



In FY23, we set a goal in our firmwide business strategy of reaching 50% participation of all our people globally in our social impact work by FY26. Our aim was to set a meaningful, unifying target relevant to our staff of thousands of legal and business professionals across 31 offices globally.



39% of our people participated in our programme in FY23. This is a seven percentage point increase on our FY22 performance.



Colleagues volunteered 69,000 hours including 50,000 hours of pro bono legal advice. This is a 40% increase on FY22, showing progress on our firmwide target to engage 50% of our people globally in our volunteering programme by FY26.



In FY23, we invested £19 million in donations and time.

> This valuation follows Business For Societal Impact methodology. We are a longstanding member of B4SI and proudly apply best practice in valuing our contribution at cost-to-firm and not typical charge-out rates.

### **External commitments and recognition**

#### **Innovation**

"Highly Commended" at the FT Innovative Lawyers Europe 2023 for three of our projects and collaborations supporting refugees and migrants."

"Standout" at the FT Innovative Lawyers Europe 2022 for our collaboration with Lineal and REPRIEVE to support the process of resentencing thousands of eligible death row prisoners in Kenya.



#### **Champion of human rights**

Amicus Champion of Justice 2022 for our contribution to upholding human rights and due process in the US criminal justice system.

Sanctuary for Families' Mary Ann Mailman Award for Outstanding Contributions to Women's Economic Empowerment 2023.



Pro bono International Firm of the Year, Euromoney Women in Business Law Awards APAC 2022.

#### **Champion of social mobility**

**UK Social Mobility Awards Community** Programme of the Year 2022 Silver Award for our expanded partnership with Eastside Young Leaders Academy.



#### **Best practice in reporting**

We have reported through the **Business for Societal Impact** ("B4SI") Framework annually: the global standard in measuring and managing corporate social impact.



#### **Innovation**

We increasingly put innovation at the centre of our social impact practice. We bring our efficiency and technology expertise and networks to the table for our clients and the communities they support. Creatively combining these assets with our traditional legal and professional capabilities is our sweet spot when it comes to social impact.

# Unleashing the potential of blockchain in challenging humanitarian contexts

We supported UNHCR, the UN Refugee Agency, on a first-of-its-kind blockchain payment solution for distribution of financial assistance to internally displaced persons in Ukraine.

The solution enables UNHCR to deliver humanitarian assistance in USD Coin directly to beneficiaries' digital wallets, without the need for a bank account. Depending on need, beneficiaries are able to either convert the received aid into fiat cash or transport their funds securely in their digital wallets. Blockchain technology offers the potential of inherent donation transparency. The pilot project in Ukraine was a first of its kind, and has the potential to be scaled up in the future to provide digital solutions for cash disbursement in other contexts.

This project was Highly Commended at the FT Innovative Lawyers Europe Awards 2023.



Missing Maps is brilliant! It's great to know that with just a few hours of our time, we all collectively can make such a big difference to vulnerable communities around the world in need of help."

#### Su Clarke

Head of Software Development & Testing, Linklaters UK



UNHCR is grateful for Linklaters' outstanding support on this project. Linklaters' expert legal counsel and knowledge of the latest developments in a fast-moving environment enabled UNHCR to advance this innovative project quickly."

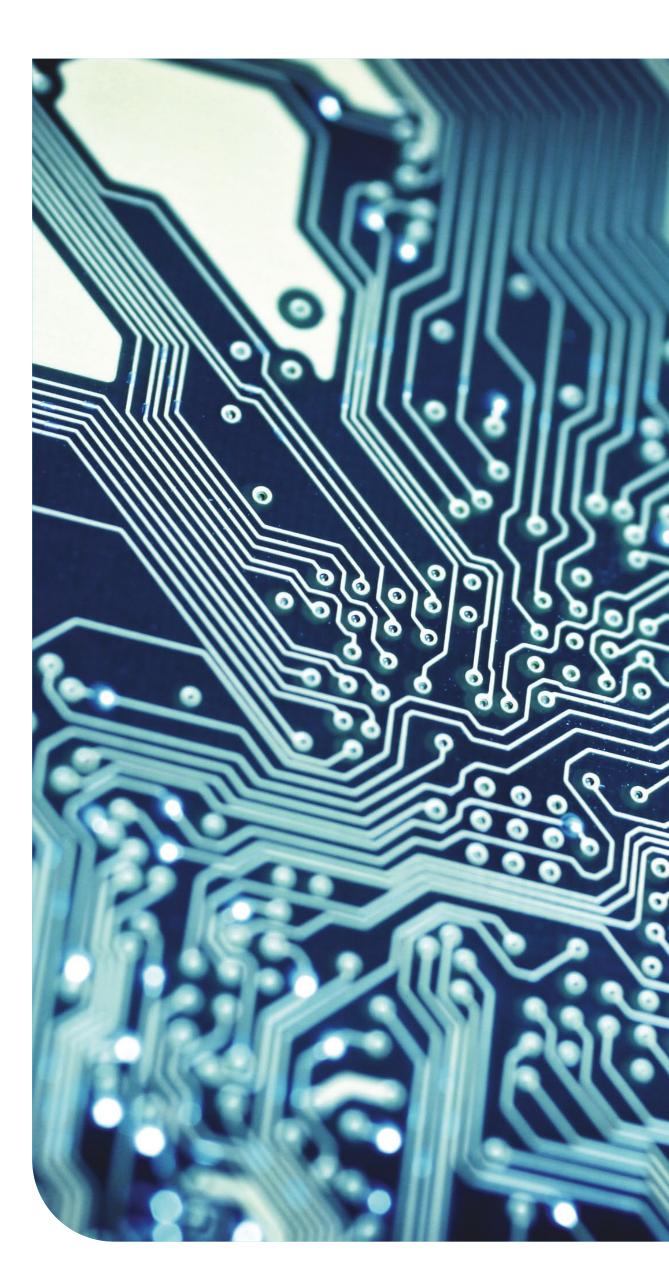
Lance Bartholomeusz
General Counsel, UNHCR

# Citizen science and strengthening humanitarian response

Since 2020 we've been harnessing our size to crowdsource information to strengthen humanitarian response. Each year, disasters around the world kill, affect or displace 200 million people, and these figures are rising due to the impacts of climate change. Details of places where these disasters occur are missing from web mapping platforms, meaning humanitarian planners and first responders lack the information to make valuable decisions regarding relief efforts.

In November 2022, over 480 volunteers, including clients of the firm, conducted a record-breaking virtual 'Mapathon' of areas in central America prone to climate disasters. Our people mapped 55,000 buildings representing an area home to approximately 300,000 people in Guatemala and El Salvador, putting numerous communities on the map in areas increasingly prone to catastrophic floods and landslides.

The digital information created through our Mapathon is helping organisations such as our global partners the Red Cross and Médecins Sans Frontières to deliver critical lifesaving services more effectively in times of crisis.



#### Leveraging tech for a systemic racism challenge

Amicus provides representation to those facing the death penalty in the US. We have worked with Amicus since 2000, providing over 11,000 hours of Pro Bono support on live casework and tracking ongoing death penalty proceedings in Florida. An opportunity arose for Amicus to take on a case of unprecedented scale in conjunction with a US not-for-profit, alleging systemic racism in a US State's criminal justice system. We brought in our digital adoption specialist to assess the challenge and then helped secure free access to eDiscovery software, enabling Amicus to take on the case.

Our work on this ongoing litigation has leveraged Pro Bono assistance from almost 200 of our people across 20 offices. Our volunteers are reviewing prosecution disclosure and transcripts of jury empanelment to identify instances of discrimination, alongside volunteers from other law firms, at a rate and on a scale made possible by using eDiscovery software. Over 275,000 pages of transcripts have been reviewed.



The vast work and support of the Linklaters Pro Bono teams internationally has been invaluable to these important cases. We, and our clients, have been blown away by the commitment and outstanding work product of these dedicated professionals. We literally would not have been able to do this work without them.

Justice remains at the heart of what we at Amicus strive to protect and it is without a doubt the same ethos that runs through the Linklaters caseworkers."

# **Margot Ravenscroft**Director, Amicus

#### **Impact**

We keep the focus on people and seek to ensure real world results.

## Supporting a discriminatory policing challenge

We continue to work in partnership with the American Civil Liberties Union (ACLU) of Louisiana as part of its Justice Lab initiative challenging what it believes to be racially discriminatory policing practices.

A team of lawyers based in our New York and Washington DC offices filed a lawsuit against the St Tammany Parish Sheriff's Office and individual deputies for alleged unconstitutional policing. The suit was filed on behalf of two Black men claiming that they were racially profiled and illegally searched.

We continue to support the claimants, helping ACLU to successfully defeat the hurdle of qualified immunity offered to police officers and most recently winning a summary judgment ruling (and a defendant's appeal of that ruling) in favour of the claimants, allowing the case to proceed to trial.



Although there is still much to do to address the unconstitutional treatment of Black people by law enforcement in Louisiana, the favorable decisions we've received from the courts in the Washington case — the district court's decision denying the defendant police officer's summary judgment motion, and the appellate court's dismissal of his appeal — are a step in the right direction.

More specifically, in denying the police officer's qualified immunity defense (which often shields law enforcement from liability in these types of cases), the district court confirmed that clearly established constitutional law prohibits law enforcement from searching people, where officers have neither reasonable suspicion nor the person's consent. It will now be up to a jury of our client's peers to determine whether the facts of this case amount to a constitutional violation, and we are hopeful about our client's prospects at trial."

#### **Elizabeth Raulston**

Senior Associate, Linklaters, US

#### Widening access to housing advice

We are proud of our deep partnerships with organisations helping individuals to access legal advice and support.

The Mary Ward Legal Centre in London (Mary Ward) provides free, independent advice on a wide range of topics. For decades our partnership with Mary Ward has been central to our pro bono work for individuals in London.

Alongside long-term funding support and the full-time secondment of a trainee solicitor, we run a fortnightly housing law clinic for clients referred via the centre. Post-pandemic, the clinic offers both in-person and remote appointments with our trained volunteers, with expert guidance from Mary Ward's housing specialists.

# Supporting the next generation of social welfare lawyers

Investing in the next generation of social welfare lawyers is critical for access to justice in the UK. We have previously funded two placements at Mary Ward for law students committed to social justice through the Justice First Fellowship scheme. In 2022 we committed longer-term funding to sponsor two staff members through to legal qualification. This is bolstering the centre's housing and welfare benefits capacity during the UK's cost-of-living crisis.

For broader information on our social mobility work seeking to reduce barriers to entry to our firm and the legal profession in general see page 20.



Krysta, above, is a Mary Ward Housing Solicitor and was previously a Justice First Fellow. Linklaters' funding supported Mary Ward Fellows to qualify in social welfare law.



We have proudly partnered with Mary Ward for over 30 years. Since 2011 we've collaborated to run a housing support clinic which has helped hundreds of individuals access their rights.



Last year, 96 volunteers gave 1,000 hours of Pro Bono support to Mary Ward. Our full-time trainee secondment saw an additional 1,100 hours dedicated to the centre's housing team in the same period.



Since the re-launch of our hybrid housing law clinic in January 2023, over 60 new volunteers including clients have joined our rota after undertaking specialist training.



Our sponsorship of centre staff through to legal qualification is forecast to help at least 400 people and their families over five years.



We are deeply grateful for the support Linklaters has provided to Mary Ward Legal Centre over the last three decades, which has enabled us to increase our capacity to help more people in need of urgent advice.

Through Linklaters' support we have expanded our housing advice service to help hundreds of people resolve their housing issues. Seconded trainee solicitors have grown our capacity, and the firm's funding support of our Justice First Fellows and legal qualification routes has contributed to the future generation of social welfare lawyers."

# **Paula Twigg**Director, Mary Ward

#### **Boosting enterprise in Rwanda and Uganda**

We have provided virtual coaching to 106 entrepreneurs to grow their businesses and create jobs in local communities in Rwanda and Uganda through a three-year partnership with Grow Movement. Linklaters volunteers provide business coaching for up to six months. Connecting coaches with entrepreneurs can accelerate the economic performance of these businesses; a randomised control trial found that entrepreneurs increased their sales by 27% during the 18 month period after the programme. In 2023 we will be expanding our reach to support entrepreneurs in the Philippines as well as East Africa.



I was inspired to get involved in Grow
Movement to meet an entrepreneur who is in a
different business, in a different environment.
I wanted to challenge my own perception of
business development, but most importantly
this was a great opportunity to support
someone's ambition. A highlight has been
discovering Nathan's strong values which
drive his business. Nathan is passionate about
diversity and women's development. Not only
does he want to run a successful business but
in addition he wants to have an impact on the
society he is living in."

#### Nicolas Gauzès

Partner, Corporate, Luxembourg, coach of Nathan Ntaganzwa, the founder of Thousand Hills Events and Publication, an events management and publication company which gives women a platform in Rwanda.



#### Impact on Christian's soap manufacturing business in Rwanda

"The sessions with Ambra were really amazing, talking to her gave us confidence. During our sessions, we got accepted for an incubation and accelerator program where we received \$30,000 as grant investment. We have been able to hire two additional employees, increase production and are now expanding to a new shop. All in all, it was a great experience for us!"

#### **Christian Mugabe**

Founder of Ngozi Naturals, a soap manufacturing business in Rwanda, who was mentored by Ambra Testoni, Associate, Innovation, Linklaters London



# Impact on Enid's business which aims to give everyone in Rwanda access to safe drinking water

"Livia's support has taught me a lot of things about the day-to-day running of a business, she is helping me work on new strategies to scale up our operations by entering and testing new markets. This will hopefully help us not only grow our revenue, create jobs but also achieve our mission of ensuring every community in Rwanda has access to clean and affordable drinking water."

### **Enid Nyamwiza**

Founder of Booming Company in Rwanda, who was supported by Livia Carlotto, Finance and Business Manager LatAm, Linklaters New York

# **Pro Bono and Community Investment Co-ordinators**

We could not deliver such wide-ranging impact and scale without the dedication of a network of over 100 people who take on the responsibility of being a Pro Bono or Community Investment Co-ordinator alongside their day job at the firm.

Co-ordinators lead long-standing charity partner relationships, large-scale projects, seek out opportunities, encourage people to volunteer and work with leaders to recognise the contribution and dedication of colleagues.

Our Social Impact programmes are a product of the motivation and drive of our people, and there is no better illustration of this than the work and achievements of Co-ordinators over the past year.



I've been a Pro Bono Co-ordinator for almost three years, working with our Amsterdam Social Impact Partner partner and committee to find and place Pro Bono matters with our colleagues. It's great to help organisations access free legal support in the Netherlands, and to closely work with people based in my office and across the firm.

A highlight for me has been our relationship with Free Press Unlimited, a Dutch NGO supporting journalists, going from strength to strength, with our corporate and litigation lawyers collaborating to support them on a number of fronts."

#### Jan-Jouke van der Meer

Associate and Pro Bono Co-ordinator, Amsterdam

#### Governance

The firm's Social Impact programmes are managed by a dedicated Social Impact Team.

The Corporate Responsibility Committee (CRC) closely supports the Social Impact Team and holds authority for approving the firm's Social Impact strategy and reviewing its implementation. CRC is made up of members of the firm's partnership, chaired by Jelita Pandjaitan, Litigation, Arbitration & Investigations Partner, Singapore.

Across the firm's global offices, Social Impact committees drive forward local volunteering partnerships and oversee the firm's committed charitable donations. These committees are made up of colleagues who are passionate about using our skills, time and resources for good.

#### What's next?

We are proud of the progress we have made against our key social impact target.

- > We are committed to engaging more of our colleagues in impactful and innovative volunteering and giving, and supporting them in serving their local communities.
- > We are committed to bringing more of our innovation, efficiency and technology expertise into our social impact work.
- > We will continue to invest in partnerships and multi-stakeholder collaborations with other organisations.



Our London Social Impact Committee meets regularly to approve funding for our UK partnerships. We represent a wide range of teams and roles, and all feel strongly about using our skills and time to assist organisations doing critical work.

We so often see how donations and volunteering combine to create impact for our community partners, whether through mentoring young people to build confidence and career aspirations, dedicating hundreds of hours to Londoners in need of housing advice or supporting LGBTQI+ people seeking asylum."

#### **Alex Beidas**

Partner and Chair of the London Social Impact Committee



Our Co-ordinators continually go above and beyond to help organisations and individuals access excellent volunteering support from the firm.

They dedicate time alongside very busy roles in the business to encourage others to channel their skills and expertise to those in need and I'm so proud of their efforts, particularly in the last year, which saw record levels of volunteering across the firm globally."

#### **Andrew Compton**

Partner, Corporate Responsibility Committee Member

